

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1626 – HB 1742

February 1, 2016

SUMMARY OF BILL: Requires the Coordinator of Elections within the Secretary of State's Office to establish a website that allows citizens to register to vote online beginning July 1, 2017. Requires voter registration data be compared with information maintained by the Department of Safety (DOS). If no voter data is confirmed with DOS, the applicant would then be directed to print and mail their registration form. Authorizes the Coordinator of Elections to enter into agreements with the Commissioner of the DOS.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – Exceeds \$200,000/One-Time
Exceeds \$100,000/Recurring**

**Increase Local Expenditures - \$237,500/One-Time*
\$63,500/Recurring***

Assumptions:

- The Secretary of State (SOS) indicates there would be costs for the Division of Elections to enlist a vendor to assist with implementation and updating of hardware and software in order to establish a link and maintain a website that will effectively communicate with the systems of DOS and forward all necessary information in the proper format to the county election commissions. Such vendor will also assist in the recurring maintenance of the system after initial implementation.
- SOS indicates that in a recent survey of states implementing online voter registration, the average implementation cost was \$240,000, with a high of \$1,800,000.
- SOS also indicates that Arizona incurs a yearly maintenance cost of \$125,000.
- Based on information provided by the SOS, the one-time increase in state expenditures, including any additional costs for DOS to modify or create any necessary systems and SOS to contract with a vendor, is reasonably estimated to exceed \$200,000.
- Based on the information submitted by SOS relative to Arizona's recurring maintenance costs, the recurring increase in state expenditures is reasonably estimated to exceed \$100,000.
- Local government costs are based on an estimated one-time cost of \$2,500 per county to purchase an additional software module necessary to process received online and electronic voter registration applications.

- The total one-time mandatory increase in local government expenditures is estimated to be \$237,500 (\$2,500 per county x 95 counties).
- SOS indicates the statewide cost for local governments to print a hard copy of transferred voter registration information as required by current law is estimated to average \$16,000 annually statewide.
- Annual maintenance costs for counties are reasonably estimated to be \$500 per county.
- The total mandatory and recurring increase in local government expenditures is estimated to be \$63,500 (\$500 per county x 95 counties + \$16,000 printing costs).
- Effective July 1, 2016 with online voter registration to begin July 1, 2017.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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